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REPORT
OF THE
GOVERNOR AND COMMITTEE
OF THE
HUDSON'S BAY COMPANY,
TO BE
LAI D BEFORE THE SHAREHOLDERS,
ON TUESDAY, JUNE 28TH, 1881.

LONDON:
PRINTERS: SIR JOSEPH CAUSTON AND SONS,
47, EASTCHEAP, E.C., & SOUTHWARK ST., S.E.

1881.

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GOVERNOR AND COMMITTEE

HUDSON'S BAY COMPANY

FOR THE YEAR 1881

AND BEFORE THE SHAREHOLDERS

ON WEDNESDAY JUNE 28TH 1881

LONDON

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1881.

DIRECTORS.



Governor.

EDEN COLVILE, Esquire.

Deputy-Governor.

SIR JOHN ROSE, BART., G.C.M.G.

Committee.

GEORGE LYALL, Esquire.

EDWARD WILLIAM TERRICK HAMILTON, Esquire.

THOMAS HOLDSWORTH NEWMAN, Esquire.

FRANCIS PEEK, Esquire.

MONTAGU C. WILKINSON, Esquire.

JOHN P. GASSIOT, Esquire.

THOMAS R. EDRIDGE, Esquire.

A GENERAL COURT of the Governor and Company of Adventurers of England trading into Hudson's Bay will be held at the City Terminus Hotel, Cannon Street, on Tuesday, the 28th June, at Two o'clock, p.m., when a Report from the Governor and Committee will be laid before the Shareholders, and a Dividend declared.

The Transfer Books of the Company will be closed on the 15th instant, and re-opened on the 9th July.

By order of the Governor, Deputy-Governor, and Committee of the said Company,

W. ARMIT,

Secretary.

HUDSON'S BAY HOUSE,

London, June 14th, 1881.

REPORT.

THE Governor and Committee in submitting the Fur Trade Accounts of the Company for Outfit 1879, namely from 1st June, 1879, to 31st May, 1880, are glad to report that the results of trade show a considerable improvement upon those of Outfit 1878, notwithstanding a decline at the Spring Sales of nearly 10 per cent. in the prices of Marten and Mink from those of the previous year, and the fact, as mentioned in November last, that the Returns of Outfit 1879 were below the average of former Outfits, in consequence of distress among the Indian tribes in various parts of the territory. On the other hand, Beaver and some of the other kinds of Furs imported by the Company were sold at better prices than those of the last few years, and it is satisfactory to add that the efforts of the Company's officers abroad in conducting the Fur Trade and the general business, and the economy exercised by them, have in a great measure contributed to the improved results exhibited in the present accounts.

The profit on the Fur Trade Accounts of Outfit 1879 amounts to £84,040 7s. 1d., as compared with £55,803 9s. 3d. for Outfit 1878, and a further profit of £6,300 0s. 3d. arises from the realization of the Returns of the last-mentioned Outfit over the estimated value included in the accounts of last year.

The total amount of Fur Trade profits is £90,484 1s. 3d., of which the sum of £19,687 11s. 7d. is payable to the officers under the terms of the Deed Poll, yielding them £178 14s. per share for Outfit 1879, and £26 8s. 11d. per share for Outfit 1878, in addition to the amount paid last year.

In accordance with the Resolution adopted by the Shareholders in June 1879, the officers are entitled to the further sums of £2,096 6s. 5d. and £2,066 2s., to make up their profits for Outfits 1878 and 1879 to £200 per share.

The net profits of the Company for the year ending 31st May, 1881, as shown in the Profit and Loss Account, amount to £70,340 19s. 8d., to which must be added the amount carried forward last year, £23,323 19s. 2d., making a total undivided balance of £93,664 18s. 10d.

The Committee now recommend that a dividend of 14s. per share, amounting to £70,000, be paid to the Shareholders, and that the balance of £23,664 18s. 10d. be carried forward to next account.

Although it is as yet too early to anticipate the probable results of Outfit 1880, the Committee are enabled to mention that from several of the Districts in the Interior reports have been received of the prospects of somewhat more favourable returns than those of the previous year. In Manitoba and the adjoining Districts, where a large amount of general business is being conducted, the Company's prospects are improving under the changes which have been made with the view of meeting the requirements of the increasing population in these Districts. The new stores at Winnipeg, and the arrangements in connection with them will shortly be completed, and an adequate return from the additional capital employed there is fully anticipated.

The Committee have also been advised that the Company's Steamers on Lake Winnipeg and the Saskatchewan will in all probability be fully and profitably employed this season in transporting the Company's goods and returns, and in carrying other supplies and passengers to various Districts in the valley of the Saskatchewan, which for some time past have been attracting settlers in yearly increasing numbers.

The Company's Marine Insurance Fund shows a satisfactory result for the year, the amount at its credit being £48,188 4s., as compared with £43,746 3s. 6d. on the 1st of

June, 1880. The claim in respect of the accident to the steamer "Otter," reported in November last, has not yet been adjusted; but the amount chargeable to the Fund is not expected to exceed £600.

The Governor and Committee consider that the past experience of the nature of the Company's risks, and the amount of premiums earned by the Insurance Fund, justify them in recommending—

1st. That one-third of the different Marine risks shall be covered by the Insurance Fund, in place of one-fourth as formerly: provided no single risk so insured shall exceed the sum of £6,000.

2ndly. That with the view of providing an adequate amount to cover these risks, the Marine Insurance Fund shall be allowed to increase to £50,000, and the excess over and above that amount shall be treated annually as profit arising from this branch of the business.

During the past session, the Dominion Parliament has granted a Charter and given important subsidies both in money and lands to the Canadian Pacific Railway Company for the purpose of completing a continuous line of Railway through British Territory from the present Canadian system of Railways to the Pacific Ocean. The Railway Company are already prosecuting the work with energy, and have announced that they will complete and have in operation 250 miles west of Winnipeg by the close of the present year, and they propose to carry the line to the foot of the Rocky Mountains, 650 miles further, by the end of 1884.

The President and other Directors of the Railway Company having recently visited this country, the Governor and Committee availed themselves of the opportunity to direct their Land Commissioner to visit London at the same time, for the purpose of conferring with the railway authorities as to the best means of promoting the settlement and colonization of the lands belonging to the two Companies in Manitoba and the North West Territory. These con-

ferences were of the most friendly character, and it was considered that the mutual interest of the two Companies would be best promoted by their separate action in disseminating trustworthy information respecting the country. For that purpose the Governor and Committee recently authorised the extensive circulation in this country and in Canada of a pamphlet calling attention to the great agricultural resources of Manitoba and the North West Territory, and the fact that the country is admirably suited for breeding and feeding all descriptions of live stock. Attention was also called to the progress already made in the construction of the Canadian Pacific Railway from Winnipeg to the Prairies, and in the direction of Lake Superior, and the advance of settlement in various districts of Manitoba since its connection with the railway system of the United States.

Full information is also given in this pamphlet regarding the lots of farming and other lands which the Company are prepared to sell at various prices payable by instalments, if required, extending over a period of years. A duplicate register of the surveyed lands has likewise been prepared for reference at their London Office, at which the fullest information as to the position and quality of the Sections belonging to the Company may be obtained by intending purchasers.

The Governor and Committee have much pleasure in reporting that the prices already obtained for Town lots and farming lands have been satisfactory, and that in their opinion the prospects of the Land Department are encouraging in view of the vigorous prosecution of the work of constructing the Canadian Pacific Railway, the opening up of new Districts for settlement in addition to those already surveyed into Townships by the Dominion Government, and the measures which are being taken for the purpose of encouraging emigration to Manitoba on a larger scale than that of former years.

The Land Account, showing the cash receipts and disbursements brought down to the 28th of February last,

includes a period of nine months later than the accounts of former years. The present account shows a cash balance of £30,635 12s. 5d., after deducting disbursements of the Land Department, including taxes and other items enumerated in the account. It should be noted that these charges are applicable, not alone to the lands already sold, but to a much larger area of the Company's property. The receipts for the nine months ending the 28th of February last amount to £20,785 9s. 2d., as compared with £11,469 11s. 9d. for the year ending the 31st May, 1880, the increase being due to the sales of land being much larger, and the prices of the Town lots at Winnipeg being higher than those of last year. These lots are in good demand for building purposes, and the Committee have reason to believe that during the present season a large quantity of them will be sold at satisfactory prices.

The annexed table marked "A" shows the total amount of the sales of the Town lots and of agricultural land reported by the Company's Land Commissioner to the 31st of March last, and includes the figures given in former Reports. The following statement of the amount of the sales will prove interesting to the Shareholders:—

SUMMARY OF SALES.

	LOTS.	ACRES.	PRICE.
Winnipeg	698	117	\$451,429
Portage La Prairie ..	68	11	4,288
West Lynne	113	18	7,975
Rat Portage	54	9	4,295
	<u>933</u>	<u>155</u>	<u>\$467,987 = £93,597</u>

FARMING LANDS.

Manitoba	41,682	\$219,393
Vancouver's Island ..	13	5,480
British Columbia ..	561	14,673
	<u>42,256</u>	<u>\$239,546 = £47,909</u>
		<u>£141,506</u>

Of this total the sum of £57,159 has been paid in cash, and the balance £84,347 bearing interest at the rate of 7 per cent. per annum will be placed to the credit of the Land Account as collected.

It will be observed that about 42,000 acres of agricultural land in Manitoba have been sold by the Company since June 1879, at an average price of 20s. per acre. Since the date to which the foregoing statement is made up, other considerable sales of Town lots and agricultural lands have been advised during the months of April and May, amounting approximately to £30,000.

The Governor and Committee are prepared to assist and encourage the settlement of the country, and as an evidence of this desire are arranging with a Company about to be established under favorable auspices that they shall be able to acquire a quantity of the Hudson's Bay Company's lands, not exceeding 50,000 acres, upon terms which they believe will be mutually satisfactory to the Shareholders of the two Companies.

With the object of drawing attention to the capabilities of the country, the Company lately purchased a small quantity of wheat in Manitoba, which they imported through the United States to London. The samples were reported on by Brokers both here, in Liverpool, and in Glasgow, as being wheat of an unusually fine character, and were valued at a considerably higher price than those of any other wheat in the market. A portion of this wheat has also been placed in the hands of an experienced miller, and the flour produced is reported to be "of fine quality as regards strength with fair colour."

An Act having been obtained from the Dominion Parliament last session, authorizing the construction of a Toll Bridge across the Red River opposite Fort Garry, the Company have taken an interest in this enterprise to the extent of £5,000. The Governor and Committee believe that the undertaking will not only give a fair return on the

amount invested, but will also materially enhance the value of the Town lots at Winnipeg.

The construction of the bridge across the Assiniboine, referred to in the last Report, is well advanced, and it is expected to be ready for traffic at an early date.

On behalf of the Committee—

E. COLVILLE,

Governor.

HUDSON'S BAY HOUSE,

London, June 14th, 1881.

(A)
SALES OF TOWN LOTS.

	WINNIPEG.		PORTAGE LA PRAIRIE.		WEST LYNNE.		RAT PORTAGE.	
	Lots.	Price.	Lots.	Price.	Lots.	Price.	Lots.	Price.
1st June, 1872 } 31st May, 1879 }	139	\$95,314	41	\$882	...	.....	...	.....
1st June, 1879 } 31st May, 1880 }	159	114,335	12	721	83	\$5,780	39	\$2,575
1st June, 1880 } 30th Nov., 1880 }	220	130,350	6	1,235	19	1,235	12	1,350
(Six months.)								
December, 1880	25	17,550	3	350	2	220	2	250
January, 1881 ...	17	9,375	3	800	...	.....	...	.....
February, 1881 ...	25	12,625	3	300	1	85	1	120
March, 1881 ...	113	71,850	...	.....	8	655	...	.....
	698	\$451,429	68	\$4,288	113	\$7,975	54	\$4,295

SALES OF FARMING LAND.

	MANITOBA.		VANCOUVER ISLAND.		BRITISH COLUMBIA.	
	Acres.	Price.	Acres.	Price.	Acres.	Price.
May, 1878 } June, 1879 }	...	...	13	\$5,480	561	\$14,673
June, 1879 } May, 1880 }	18,184	\$104,632				
June, 1880 } November, 1880 }	16,497	81,194				
(Six months.)						
December, 1880 ...	1,181	5,906				
January, 1881 ...	1,760	8,600				
February, 1881 ...	2,240	10,641				
March, 1881 ...	1,820	8,420				
	41,682	\$219,393	13	\$5,480	561	\$14,673

HUDSON'S BAY HOUSE,
LONDON, May 31st, 1881.

(1.) TRADING ACCOUNT.

Exhibiting the Profit and Loss results during Outfit 1879; namely, from 1st June, 1879,

Dr.

to 31st May, 1880.

Cr.

	£	s.	d.	£	s.	d.
To Goods, Provisions, Stores, Supplies, as per Inventory, 1st June, 1879	325,811	12	9			
„ Goods (the produce of the country), Debts, and other Articles, as per Inventory, 1st June, 1879	218,320	4	3			251,006 0 11
„ Goods, Provisions, and Stores purchased in England, supplied for Outfit 1879	102,011	19	7			4,166 18 9
„ Amount written off, as depreciated value of Ships, and balance of Ships' Accounts ..	3,924	19	0			65,079 15 8
„ Loss on Sealing voyage per Steamer "Labrador"	1,373	0	6			1,375 17 3
„ Purchase of Furs and Country Provisions in the Territory, and Transport, Insurance, and other debits incidental to carrying on the Trade of Outfit 1879	90,371	19	1			279,791 14 3
„ Fire Insurance Fund	2,000	0	0			240,633 16 0
By Proceeds of Furs and other Imports into Great Britain, the Returns of this Outfit, after deducting Freight, Dock Charges, Cartage, Fire Insurance, &c.						
„ Estimated value of Furs in transit, less estimated amount of further charges against Outfit						
„ Proceeds of Goods realized in the Territory, and other credits incidental to carrying on the Trade of Outfit 1879						
„ Discount on Insurance Premiums						
„ Goods, Provisions, Stores, and Supplies, as per Inventory, 31st May, 1880						
„ Goods (the produce of the country), Debts and other Articles, as per Inventory, 31st May, 1880						

" Expenses incurred in London, 1st June, 1879,
to 31st May, 1880, viz. :—

Governor and Committee £3,500 0 0
Salaries of Secretary and
other Officers 3,353 1 6

Wages of Labourers em-
ployed in the Ware-
house, and Sundry
Charges 2,863 10 0

Rent and Taxes of Offices
in Leadenhall Street,
and Warehouse in Lime
Street 1,890 17 8

Miscellaneous Expenses,
including Agency in
Scotland, Law Charges,
Stationery, Printing, &c. 889 4 9

12,501 13 11

" Salary, &c., to Local Officers

1,000 0 0

" Pensions and Donations in London and abroad

698 6 8

" Balance carried forward, being Profit on

Outfit 1879 84,040 7 1

£842,054 2 10

£842,054 2 10

Dr. *Outfit 1879, and previous Outfits.* Cr.

	£	s.	d.
To Officers, for their share of Profit, after deducting Interest	19,687	11	7
By Balance, being Profit on Outfit 1879, brought forward	84,040	7	1
By Profit on realization of outstanding accounts, viz.: --			
Outfit 1877	£143	13	11
" 1878	6,300	0	3
	6,443	14	2
	£90,484	1	3

HUDSON'S BAY COMPANY.

(3.) PROFIT AND LOSS.

Dr.

1st June, 1880, to 31st May, 1881.

Cr.

	£	s.	d.		£	s.	d.
To Balance of Interest on Fur Trade Account	488	16	11	By Profit on Fur Trade brought to credit this year	70,312	7	11
" Interest on Officers' and Servants' Deposits	2,271	8	5	" Interest, Dividends, and Sundries	11,024	19	11
" Commissioned Officers for appropriation under Guarantee of 24th June, 1879, viz. :--							
Outfit 1878 £2,096	6	5					
" 1879 2,006	2	0					
	4,162	8	5				
" Interest on Marine Insurance Fund	1,778	16	2				
" Income Tax	174	10	9				
" Sundry Colonial Charges not chargeable to Trading Account	1,050	0	0				
" Miscellaneous Expenses	1,070	7	6				
" Balance carried down, being Net Profits	70,340	19	8				
	£81,337	7	10				
To Dividend paid, July, 1880	£45,000	0	0				
" Balance of undivided Profits, 31st May, 1881	93,664	18	10	By Balance brought down	£70,340	19	8
	£138,664	18	10	" Balance of undivided Profits, 1st June, 1880	68,323	19	2
					£138,664	18	10

(4.) LAND ACCOUNT.

Dr. Exhibiting the Cash Receipts and Disbursements, from 1st June, 1879, to 31st May, 1880. Cr.

1880.	£	s.	d.	1879.	£	s.	d.
May 31. To Sundry Charges at Victoria, B.C., including Taxes on Land	108	4	6	May 31 By Balance of former Account	9,696	0	5
Charges on Land in Manitoba for the year ending this date :—				May 31 „ Cash received at Victoria in respect of Sales of Land in British Columbia and Vancouver's Island	1,807	2	5
Salaries of Commissioner and Clerks £2,195 9 7				„ Cash received at Winnipeg in respect of Sales as follows :—			
Taxes	2,024	9	9	Winnipeg Town Lots ..	£8,357	5	11
Surveyors inspecting and reporting upon Lands in Manitoba ..	1,548	15	11	West Lynne ..	271	8	9
Travelling and Office Expenses ..	1,632	11	2	Rat Portage ..	109	2	2
Advertising	1,119	5	4	Portage La Prairie Town Lots	92	13	5
Rent of Land Office	130	10	6	Farming Lands in Manitoba .	2,639	1	6
Legal and Miscellaneous Expenses	61	15	4		11,469	11	9
	8,712	17	7	Interest on Instalments ..	616	17	0
„ Balance carried down	16,436	3	0	Rents of Buildings ..	1,867	13	6
					2,484	10	6
					£25,257	5	1

Continuation from 1st June, 1880, to 28th February, 1881.

1881.		1880.	
Feb. 28. To charges on Land in Manitoba for nine months ending this date:—		June 1. By Balance brought down	
Salaries of Commissioner and		1881.	
Clerks	1,493 18 9	Feb. 28. " Cash received to date on account of Sales as follows:—	
Taxes	2,807 11 4	of Sales as follows:—	
Surveyors—Inspecting and		Winnipeg .. Town Lots £13,796 10 2	
Reporting upon Lands in		West Lynne .. " 295 5 5	
Manitoba	2,194 0 2	Rat Portage .. " 231 5 4	
Drainage Expenditure ..	590 9 9	Portage La Prairie " 253 11 10	
Travelling and Office Expenses	922 2 10	Farming Lands in Manitoba 6,208 16 5	
Legal and Advertising Expenses	223 1 9	Interest on Instalments .. 1,409 7 10	
Printing Land Deeds and		Rents of Buildings .. 581 11 2	
Miscellaneous Expenses ..	140 4 9	20,785 9 2	
Cash paid for Purchase of Land		1,990 19 0	
at Portage La Prairie ..	205 9 7		
" Balance	8,576 18 11		
	30,635 12 3		
	<u>£39,212 11 2</u>		
		<u>£39,212 11 2</u>	

(6.) BALANCE-SHEET.

Dr.

31st May, 1881.

Cr.

	£	s.	d.		£	s.	d.
To Capital	1,700,000	0	0	By Cash in hand, and on Deposit..	211,019	10	3
" Amount due to Officers and Servants on their Deposits	86,174	0	7	" Sundry Investments	176,687	8	1
" Notes in circulation in Hudson's Bay	515	6	0	" Amount due by Officers and Servants	551	4	10
" Land Sales, Balance to 28th February, 1881	30,635	12	3	" Amount invested in the Fur Trade (exclusive of Goods in course of Shipment), viz.:			
" Unpaid Dividends, and other Balances (exclusive of amount due in respect of Goods in course of Shipment on 31st May, 1881, not included in Assets <i>per contra</i>)	416	3	0	Fleet of Ships and Steamers employed in the trade	21,653	13	4
" Marine Insurance Fund	48,188	4	0	Valuation of Trading Goods, Provisions and Stores in hand, and advances for carrying on the trade	749,465	0	9
" Undivided Profits, 31st May, 1881	93,664	8	10		771,118	14	1
				" Balance, represented by the remaining Property of the Company	800,214	7	5
					£1,959,594	4	8

Examined and found to be in due accordance with the Books, Accounts, and Vouchers of the Company,

WM. QUILTER, Auditor.
 QUILTER, BALL, CROSHIE, GLEGG & WELTON.

5, Moorgate Street,
 8th June, 1881.

(60) BALANCE-SHEET

1917

1917

Assets

Current Assets

1. Cash and Cash Equivalents

2. Accounts Receivable

3. Inventory

4. Prepaid Expenses

5. Other Current Assets

Total Current Assets

Fixed Assets

6. Land

7. Buildings

8. Equipment

9. Other Fixed Assets

Total Fixed Assets

Total Assets

Liabilities

10. Current Liabilities

11. Long-Term Liabilities

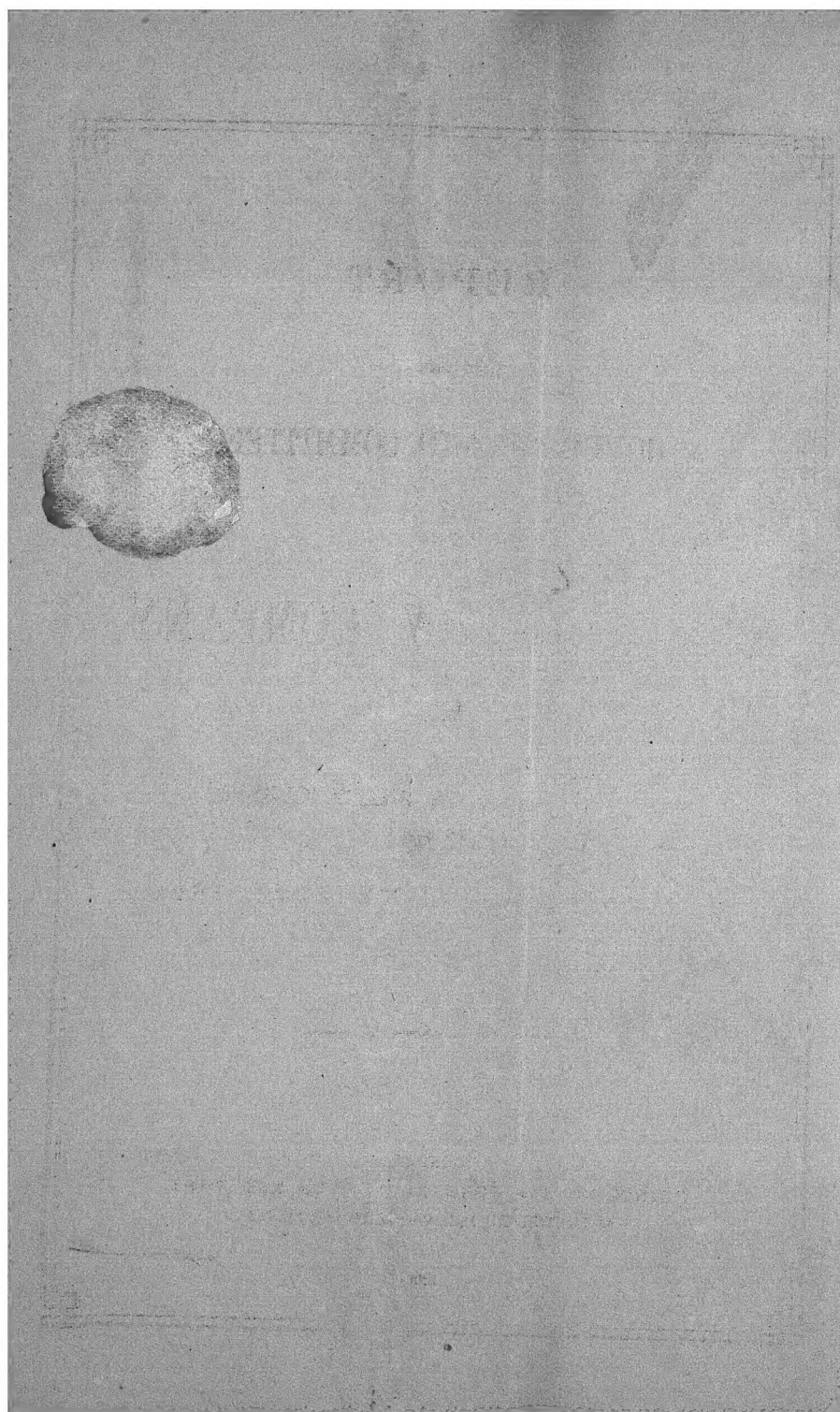
Total Liabilities

Equity

12. Capital

13. Retained Earnings

Total Equity



1881 JUNE PROCEEDINGS MISSING.

